

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII

901 N. 5th Street
Kansas City, Kansas

SEP 02 2003

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ENVIRONMENTAL PROTECTION
AGENCY REGION VII
REGIONAL HEARING CLERK

In the matter of:

TIMMERMAN & SONS FEEDING
COMPANY,
A Nebraska Corporation
Springfield, Nebraska

Respondent

DOCKET NO. CWA-07-2003-0275

COMPLAINT AND
CONSENT AGREEMENT/
FINAL ORDER

Proceedings under
Section 309(g) of the Clean Water Act,
33 U.S.C. § 1319(g)

COMPLAINT

Jurisdiction

1. This administrative action is being conducted pursuant to Section 309(a) and (g) of the Clean Water Act (CWA), 33 U.S.C. § 1319(a) and (g), and in accordance with the United States Environmental Protection Agency's Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22 (Consolidated Rules of Practice).

2. This Complaint and Consent Agreement/Final Order serves as notice that the Environmental Protection Agency (EPA) has reason to believe that Respondent violated Sections 301 and 402 of the CWA, 33 U.S.C. § 1311 and 33 U.S.C. § 1342.

Parties

3. The Complainant, by delegation from the Administrator of EPA to the Regional Administrator, EPA Region VII, is the Director of Region VII's Water, Wetlands, and Pesticides Division.

4. The Respondent is Timmerman & Sons Feeding Company, Inc., which is incorporated in the state of Nebraska.

Statutory and Regulatory Framework

5. Section 301(a) of the CWA, 33 U.S.C. § 1311(a), prohibits the discharge of pollutants except in compliance with, *inter alia*, Section 402 of the CWA, 33 U.S.C. § 1342.

6. Section 402 of the CWA, 33 U.S.C. § 1342, provides that pollutants may be discharged only in accordance with the terms of a National Pollutant Discharge Elimination System ("NPDES") permit issued pursuant to that Section.

7. "Pollutant" is defined by Section 502(6) of the CWA, 33 U.S.C. § 1362(6), to include biological materials and agricultural waste discharged to water.

8. Concentrated animal feeding operations, as defined by 40 C.F.R. §122.23, are "point sources" pursuant to Section 502(14) of the CWA, 33 U.S.C. § 1362(14).

9. "Waters of the United States" are defined in 40 C.F.R. § 122.2 to include intrastate rivers and streams, and tributaries thereto.

10. Section 309(g)(2)(B) of the CWA, 33 U.S.C. § 1319(g)(2)(B), provides that any person who violates Section 301 of the Clean Water Act or violates a NPDES permit issued under Section 402 of the CWA shall be subject to administrative assessment of civil penalties in an amount not to exceed \$10,000 per day for each day during which a violation continues, up to a maximum total penalty of \$125,000. Under the Civil Monetary Inflation Rule, 40 C.F.R. Parts 19 and 27, civil administrative penalties of up to \$11,000 per day for each day during which a violation continues, up to a maximum of \$137,500, may be assessed for violations of Section 301 of the CWA, 33 U.S.C. §§ 1311, that occur after January 30, 1997.

Factual Background

11. Timmerman & Sons Company, Inc. is an owner and operator of several concentrated animal feeding operations in Nebraska: a Springfield facility ("Springfield Facility") located in Sarpy County, Nebraska and an Indianola facility ("Indianola Facility") in Red Willow County, Nebraska. Each of these facilities has an effective NPDES permit that was issued by the Nebraska Department of Environmental Quality.

12. On or about February 19, 2003, the wastewater storage structures which collect and/or divert process wastewater runoff at the Springfield Facility were not properly maintained,

resulting in the discharge of manure-laden wastewater to a tributary of Buffalo Creek.

13. The tributary and Buffalo Creek are "waters of the United States" as defined by 40 C.F.R. Part 122.

14. During the period from April 1998 until April 2003, Respondent did not follow certain operation and maintenance requirements and did not maintain records in accordance with the Springfield Facility's NPDES permit.

15. During the period from April 1998 until April 2003, Respondent did not maintain records in accordance with the Indianola Facility's NPDES permit.

Findings of Violation

16. The facts stated in paragraphs 11 through 15 above are herein incorporated.

17. The runoff of manure-laden wastewater from Respondent's concentrated animal feeding operation to a drainage ditch and tributary of Buffalo Creek on February 19, 2003 resulted in the discharge of pollutants from a point source into waters of the United States.

18. Respondent's unauthorized discharge of pollutants from a point source into a water of the United States is a violation of Respondent's NPDES permit, Sections 301(a) and 402 of the CWA, and implementing regulations.

19. Respondent's failure to maintain the waste control structures and failure to maintain records in accordance with Respondent's NPDES permits are violations of Sections 301(a) and 402 of the CWA, and implementing regulations.

CONSENT AGREEMENT

20. Respondent admits the jurisdictional allegations of this Complaint and Consent Agreement/Final Order and agrees not to contest EPA's jurisdiction in this proceeding or any subsequent proceeding to enforce the terms of the Final Order.

21. Respondent neither admits nor denies the factual allegations or Findings of Violation contained in this Complaint and Consent Agreement/Final Order.

22. Respondent waives any right to contest the allegations and its right to appeal the proposed Final Order accompanying this Consent Agreement.

23. Respondent and Complainant each agree to bear their own costs and attorney's fees.

24. Although not required by the Clean Water Act or any other federal, state, or local law, in settlement of this matter Respondent shall complete the following supplemental environmental project ("SEP"), which the parties agree is intended to secure significant environmental or public health protection and improvements. Respondent shall raise the berm of the holding pond at Respondent's Springfield Facility by approximately 3.3 feet, in order to significantly increase the storage capacity of the structure. Respondent shall also construct a concrete spillway in the berm of a settling basin at the Springfield facility, to minimize the potential for failure of berm.

25. Respondent shall complete the SEP as follows:

a. As a result of the SEP, the storage capacity of the existing holding pond at the Springfield Facility shall be increased so that the storage capacity of the pond is approximately 170% of required capacity. Raising the berm by 3.3 feet will require the movement of approximately 20,000 cubic yards of dirt.

b. Respondent has recently submitted an application for a state permit modification and detailed design plans for the SEP to the Nebraska Department of Environmental Quality ("NDEQ") for review and approval. Upon receipt by Respondent of any NDEQ comments on the permit modification request and design plans, Respondent shall modify the plans as necessary and resubmit the plans to NDEQ for review and approval. Respondent shall also respond to any NDEQ comments and/or requests for additional information or modifications to the SEP plans. Respondent shall respond to the comments of NDEQ within the time allowed by those agencies.

c. Upon NDEQ final approval of Respondent's design plans for the SEP ("Final Approval of the SEP"), Respondent shall proceed to construct the SEP in accordance with the NDEQ-approved plans, and in accordance with a construction schedule to be provided to Respondent by NDEQ when it approves the plans.

d. Within 30 days of completion of construction of the SEP, Respondent shall submit a SEP Completion Report to EPA and NDEQ. The SEP Completion Report shall contain the following information:

- (i) a detailed description of the SEP, as constructed, including as-built drawings of the completed project, certified by a registered professional engineer;
- (ii) itemized costs for the SEP, with documentation of all eligible SEP costs, including invoices, purchase orders, or other documentation that specifically identifies and itemizes the costs of the goods and/or services for which payment has been made; and
- (iii) certification by Respondent that the SEP has been fully implemented pursuant to the provisions of this Consent Agreement and Final Order.

e. Respondent shall operate and maintain the wastewater storage structure in accordance with and as required by all state and federal laws, regulations, and permits.

26. The total expenditure for the SEP shall not be less than \$21,000. Respondent shall include documentation of the expenditures made in connection with the SEP as part of the SEP completion report.

27. Respondent shall copy EPA on all correspondence, reports, memoranda or other written communications ("Reports") that Respondent sends to NDEQ concerning the SEP.

28. Respondent is solely responsible for obtaining any approvals, authorizations, or permits that are needed for the SEP from any state or local government agency or entity. Respondent shall seek any such authorizations or approvals in a timely manner, and shall promptly provide any requested or required information or documentation to such agencies. Respondent shall copy EPA and NDEQ on all correspondence Respondent sends to any other government entities concerning the SEP.

29. Respondent shall submit all correspondence and Reports required by this Consent Agreement and Final Order to Paula Higbee, CAFO Enforcement Coordinator, EPA Region VII, 901 North 5th Street, Kansas City, Kansas 66101.

30. a. After receipt of the SEP Completion Report described in paragraph 25.d. above, EPA will notify the Respondent, in writing, regarding: (i) any deficiencies in the SEP Report itself along with a grant of an additional sixty (60) days for Respondent to correct any deficiencies; or (ii) indicate that EPA concludes that the project has been completed satisfactorily or (iii) determine that the project has not been completed satisfactorily and seek stipulated penalties in accordance with paragraph 31 herein.

b. If EPA elects to exercise option (i) above, i.e., if the SEP Report is determined to be deficient but EPA has not yet made a final determination about the adequacy of SEP completion itself, EPA shall permit Respondent the opportunity to object in writing to the notification of deficiency given pursuant to this paragraph within ten (10) days from the receipt of such notification. EPA and Respondent shall have an additional thirty (30) days from the receipt by EPA of the notification of objection to reach agreement on changes necessary to the SEP Report. If agreement cannot be reached on any such issue within this thirty (30) day period, EPA shall provide a written statement of its decision on adequacy of the completion of the SEP to Respondent, which decision shall be final. In the event the SEP is not complete as contemplated herein, as determined by EPA, stipulated penalties shall be due and payable by Respondent to EPA in accordance with paragraph 31 herein.

31. a. In the event that Respondent fails to comply with any of the terms or provisions of

this Agreement relating to the performance of the SEP described in paragraphs 24 and 25 above and/or to the extent that Respondent's actual expenditures for the SEP do not equal or exceed the cost of the SEP described in paragraph 26 above, Respondent shall be liable for stipulated penalties in the amount of \$7,000.00.

b. Respondent shall pay stipulated penalties not more than fifteen (15) days after receipt of written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions of paragraph 1 of the Final Order which accompanies this Consent Agreement. Interest and late charges shall be paid as stated in paragraph 2 of the Final Order which accompanies this Consent Agreement.

c. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of Respondent's violation of this agreement or for Respondent's violation of any applicable provision of law regarding matters that have not been specifically alleged in the Complaint.

32. Any public statement, oral or written, in print, film, or other media, made by Respondent making reference to the SEP shall include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of the Clean Water Act."

33. This Consent Agreement and Final Order shall not relieve Respondent of its obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor shall it be construed to constitute EPA approval of the equipment or technology installed by Respondent in connection with the SEP undertaken pursuant to this Agreement.

34. a. If any event occurs which causes or may cause delays in the completion of the SEP as required under this Agreement, Respondent shall notify Complainant in writing not more than ten (10) days after the delay or Respondent's knowledge of the anticipated delay, whichever is earlier. The notice shall describe in detail the anticipated length of the delay, the precise cause or causes of the delay, the measures taken and to be taken by Respondent to prevent or minimize the delay, and the timetable by which those measures will be implemented. The Respondent shall adopt all reasonable measures to avoid or minimize any such delay. Failure by Respondent to comply with the notice requirements of this paragraph shall render this paragraph void and of no effect as to the particular incident involved and constitute a waiver of the Respondent's right to request an extension of its obligation under this Agreement based on such incident.

b. If the parties agree that the delay or anticipated delay in compliance with this Agreement has been or will be caused by circumstances entirely beyond the control of Respondent, the time for performance hereunder shall be extended by Complainant, after

consultation with Respondent, for a period that is reasonably necessary under the circumstances.

c. In the event that the EPA does not agree that a delay in achieving compliance with the requirements of this Complaint and Consent Agreement/Final Order has been or will be caused by circumstances beyond the control of the Respondent, EPA will notify Respondent in writing of its decision and any delays in the completion of the SEP shall not be excused.

d. The burden of proving that any delay is caused by circumstances entirely beyond the control of the Respondent shall rest with the Respondent. Increased costs or expenses associated with the implementation of actions called for by this Agreement shall not, in any event, be a basis for changes in this Agreement or extensions of time under section (b) of this paragraph.

35. Solely for the purpose of settling this matter and thereby avoiding the expense and uncertainties involved in a formal adjudication, Respondent consents to the issuance of the Final Order hereinafter recited, consents to the payment of the civil penalty as set forth in the Final Order, and consents to the performance of the Supplemental Environmental Project.

36. The penalty payment made by Respondent pursuant to this Complaint and Consent Agreement/Final Order is payment of a civil penalty and shall not be deductible for purposes of federal taxes.

37. Each signatory to this Agreement certifies that he or she is fully authorized to enter into the terms and conditions of this Complaint and Consent Agreement/Final Order.

FINAL ORDER

Pursuant to Section 309(g) of the CWA, 33 U.S.C. § 1319(g), and based upon information contained in this Consent Agreement, IT IS HEREBY ORDERED THAT:

1. Without admitting or denying the factual allegations set forth in the Complaint, Respondent shall pay a total administrative civil penalty of \$9,000.00 Dollars within thirty (30) days of the effective date of the Final Order. Payment shall be by cashier's or certified check, made payable to "Treasurer, United States of America," and referencing EPA Docket No. CWA-07-2003-0275, and remitted to:

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EPA - Region VII
Attn.: Regional Hearing Clerk
c/o Mellon Bank
P.O. Box 360748M

Pittsburgh, Pennsylvania 15251

A copy of the check shall be mailed to:

David Cozad
Associate Regional Counsel
U.S. Environmental Protection Agency
901 North 5th Street
Kansas City, Kansas 66101

2. Should the civil penalty not be paid as provided above, interest will be assessed at the annual rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717. The interest will be assessed on the overdue amount from the due date through the date of payment. Failure to pay the civil penalty when due may result in the commencement of a civil action in Federal District Court to collect said penalty, together with costs and interest thereon.

3. Respondent shall undertake and complete the environmentally beneficial project set forth in paragraphs 24 and 25 of this Consent Agreement.

4. In the event that Respondent fails to timely implement and complete the project set forth in paragraphs 24 and 25, Respondent shall pay stipulated penalties as set forth in paragraph 31 of this Consent Agreement.

5. Respondent and Complainant shall pay their own costs and attorneys' fees incurred as a result of this action.

6. EPA reserves the right to enforce the terms of this Final Order by initiating a judicial or administrative action pursuant to Section 309 of the CWA, 33 U.S.C. § 1319.

7. With respect to matters not addressed in this Final Order, EPA reserves the right to take any enforcement action pursuant to the CWA, or any other available legal authority, including without limitation, the right to seek injunctive relief, monetary penalties and for punitive damages.

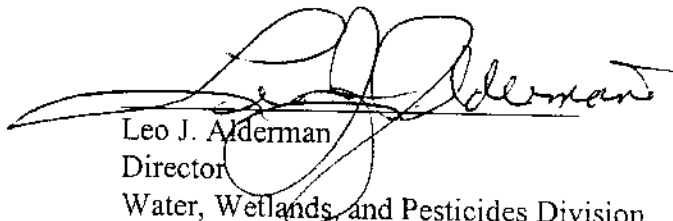
8. This Final Order shall be effective upon receipt by Respondent of a fully executed copy hereof. All time periods herein shall be calculated therefrom unless otherwise provided in this Final Order.

9. This executed Consent Agreement and Final Order shall be filed with the Regional

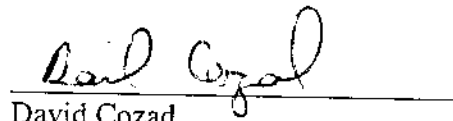
Hearing Clerk, U.S. Environmental Protection Agency, 901 North 5th Street, Kansas City, Kansas
66101.

COMPLAINANT:
U.S. ENVIRONMENTAL PROTECTION AGENCY

9/4/03
Date

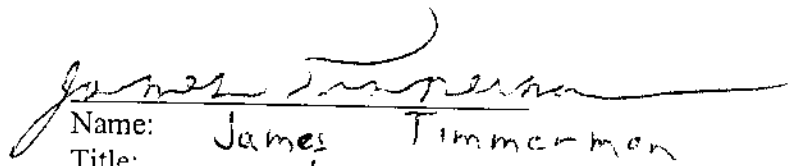

Leo J. Alderman
Director
Water, Wetlands, and Pesticides Division
U.S. Environmental Protection Agency
Region VII

9/3/03
Date


David Cozad
Associate Regional Counsel
Region VII

RESPONDENT:
TIMMERMAN AND SONS FEEDING COMPANY, INC.

8/28/03
Date


Name: James Timmerman
Title: Sec/Treasurer

IT IS SO ORDERED.

July 27, 2003
Date

Robert L. Patrick
Robert L. Patrick
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that on the date below I hand delivered the original and one true copy of this Complaint and Consent Agreement/Final Order to the Regional Hearing Clerk, United States Environmental Protection Agency, 901 North Fifth Street, Kansas City, Kansas 66101. I further certify that on the date below I sent by certified mail, return receipt requested, a true and correct copy of the original Complaint and Consent Agreement/Final Order to the following:

Timmerman & Sons Feeding Co., Inc.
Howard J. Kaslow, Registered Agent
Suite 300, 8712 W. Dodge Road
Omaha, NE 68114

Dated this 29th day of October, 2003.

Debby White
Name